



The State of Utah

Department of Natural Resources

Division of Oil, Gas & Mining

ROBERT L. MORGAN Executive Director

LOWELL P. BRAXTON Division Director

OLENE S. WALKER Governor

GAYLE F. McKEACHNIE Lieutenant Governor

Representatives Present During the Inspection:

OGM Karl Houskeeper Environmental Scientist III



Permit Number:	C0150025
Inspection Type:	COMPLETE
Inspection Date:	Thursday, April 15, 2010
Start Date/Time:	4/15/2010 8:00:00 AM
End Date/Time:	4/15/2010 1:00:00 PM
Last Inspection:	Monday, March 08, 2010

Inspector: Karl Houskeeper, Environmental Scientist III

Weather: Clear, Temp. 55 Deg. F. InspectionID Report Number: 2327

Types of Operations

□ Reprocessing

Accepted by: jhelfric

5/6/2010

Permitee: HIAWATHA COAL CO INC Operator: HIAWATHA COAL CO INC

Site: BEAR CANYON MINE

Address: PO BOX 1240, HUNTINGTON UT 84528

County: EMERY

Permit Type: PERMANENT COAL PROGRAM

Permit Status: ACTIVE

Current Acreages

Total Permitted		
Total Disturbed	40.46	
Phase I		
Phase II		
Phase III		

Mineral Ownership

☐ Other

✓ Federal ✓ Underground State ☐ Surface County Fee Processing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

Lynn McCourt (Price Mine Service Sub Contracted by Norwest) Present for Inspection.

Citation 10047 terminated since the abatement measures were completed on April 7, 2010 and were verified as part of this complete inspection. The abatement deadline was May 3, 2010.

Inspector's Signature:

Karl Houskeeper, Environmental Scientist III

Date

Thursday, April 15, 2010

Inspector ID Number: 49

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.



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REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

- 1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 b. For PARTIAL inspections check only the elements evaluated.
- 2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
- 3. Reference any narratives written in conjunction with this inspection at the appropriate performace standard listed below.
- 4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

		Evaluated	Not Applicable	Comment	Enforcement
1.	Permits, Change, Transfer, Renewal, Sale	\checkmark		\checkmark	
2.	Signs and Markers	✓		✓	
3.	Topsoil	✓			
4.a	Hydrologic Balance: Diversions	✓			
4.b	Hydrologic Balance: Sediment Ponds and Impoundments	✓			
4.c	Hydrologic Balance: Other Sediment Control Measures	✓			
4.d	Hydrologic Balance: Water Monitoring	V			
4.e	Hydrologic Balance: Effluent Limitations	✓			
5.	Explosives	✓			
6.	Disposal of Excess Spoil, Fills, Benches	V	✓		
7.	Coal Mine Waste, Refuse Piles, Impoundments	✓	✓		
8.	Noncoal Waste	V			
9.	Protection of Fish, Wildlife and Related Environmental Issues	✓			
10.	Slides and Other Damage	✓			
11.	Contemporaneous Reclamation	V			
12.	Backfilling And Grading	✓			
13.	Revegetation	V			
14.	Subsidence Control	V			
15.	Cessation of Operations	V			
16.8	Roads: Construction, Maintenance, Surfacing	V			
16.t	Roads: Drainage Controls	✓			
17.	Other Transportation Facilities	✓			
18.	Support Facilities, Utility Installations	✓			
19.	AVS Check	✓			
20.	Air Quality Permit	✓		✓	
21.	Bonding and Insurance	✓		✓	
22.	Other	✓			

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1. Permits, Change, Transfer, Renewal, Sale

The current DOGM permit C/015/0025 on file was issued effective 04/03/2007 and expires 11/02/2010 to CW Mining. Kenneth Rushton is the assigned Trustee by the Bankruptcy Court. Information found in chapter one of the mining and reclamation plan (MRP) relative to ownership and control needs to be updated to reflect the proper information such as addresses, directors, resident agent to name a few. Any change in ownership requires a permit transfer to be approved by the Division.

- -Certificate of Insurance policy number CSPKG00617-00, issued 02/07/2010 and terminates 02/17/2011, Bear Canyon Mining (Trustee Kenneth Rushton).
- -UPDES permit # UTG040000(UTG040006) effective 08/01/2008 and expires @ midnight 04/30/2013. Current permit is under Hiawatha Coal company. This permit needs to go through a permit change to reflect the proper permittee.
- -Air Quality permit DAQE-145-02, issued February 22, 2002. Current permit is under Hiawatha Coal company. This permit needs to go through a permit change to reflect the proper permittee.
- -SPCC Plan dated 09/14/06. The Plan is P.E. certified, stamped, signed and dated by a Utah P.E. This plan needs to be revised to reflect the current persons and personnel in charge. The individuals listed in this plan no longer have any responsibility.

2. Signs and Markers

The mine identification sign is in place at the point of public access to the permit area and contains the required information.

20. Air Quality Permit

The current air quality permit is under Hiawatha Coal Company. A permit transfer needs to be done as Hiawatha Coal Company is longer part of this operation.

21. Bonding and Insurance

The information available on site indicates CW Mining has a bond through Lyndon Property Insurance Company NPL-0601-310000 for \$1,825,000. All indications are that this bond is still effective.